

53



EXCISE
Department of State

Pet 6 Libya
x Pet 6 Nigeria
TELEGRAM

565

CONFIDENTIAL 276

Lagos 4230
5-25-73

PAGE 01 LAGOS 04230 260819Z

45
ACTION EB-11

INFO OCT-01 AF-10 EUR-25 EA-11 NEA-10 ADP-00 L-03 SCEN-02
 COME-00 INT-08 TRSE-00 SS-15 NSC-10 ~~CIAP-00~~ INR-10
 NSAE-00 USC-01 PRS-01 CIEP-02 OMB-01 RSR-01 AID-20
 IGA-02 /144 W

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R 251547Z MAY 73
 FM AMEMBASSY LAGOS
 TO SECSTATE WASHDC 9675
 INFO AMEMBASSY PARIS
 AMEMBASSY ROME
 AMEMBISSY BONN
 AMEMBASSY LONDON
 AMEMBASSY TOKYO
 AMEMBASSY JIDDA
 AMEMBASSY KUWAIT
 AMEMBASSY TEHRAN
 AMEMBASSY JAKARTA
 AMEMBASSY THE HAGUE
 AMEMBASSY TRIPOLI
 US MISSION EC BRUSSELS 355
 US MISSION OECD PARIS

DEPARTMENT OF STATE A/OSC/VR	
REVIEWED BY <u>CF</u>	DATE <u>11/20/82</u>
PREPARED BY <u> </u> DATE <u> </u> CHECKED BY <u> </u> DATE <u> </u> RELEASED BY <u> </u> PA OF 101 LIMITATIONS <u>131, A5</u>	

C O N F I D E N T I A L LAGOS 4230

E.O. 11652: GDS
 TAGS: ENRG, NI, LY
 SUBJECT: NIGERIAN INFLUENCE ON LIBYAN OIL NEGOTIATIONS
 REF: A. STATE 97463, B. LAGOS 3953 (NOTAL)

CONFIDENTIAL

41



Department of State

TELEGRAM

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PAGE 02 LAGOS 04230 260819Z

[REDACTED] WE BELIEVE IT
MORE LIKELY NIGERIANS WILL PURSUE AN IN-BETWEEN COURSE DESIGNED
TO SERVE THEIR BASIC OBJECTIVE OF MAINTAINING A STEADY
AND INCREASING STREAM OF OIL REVENUE. IT WILL PUSH HARD
TO GET ALL IT CAN FOR ITS OIL. [REDACTED] (B1)

2. NIGERIA'S BASIC APPROACH OVER THE PAST FEW YEARS TO
THE TURN IN THE WORLD OIL MARKET FAVORING PRODUCERS HAS
BEEN FAIRLY WELL ESTABLISHED. NIGERIA IS A FOLLOWER RATHER
THAN A LEADER AMONG OIL PRODUCERS IN THE SEARCH FOR INCREASED
REVENUES. THROUGH THE DEVICE OF THE MOST-FAVORED-NATION
CLAUSE IT INSURES THAT BENEFITS WON BY THE MORE MILITANT
PRODUCERS ARE PASSED ON TO IT. NIGERIA KEEPS IN CLOSE
CONSULTATION WITH OTHER PRODUCERS WHO ARE KEPT MINDFUL OF
NIGERIA'S VIEW THAT GRADUAL EVOLUTION OF IMPROVEMENT IN
TERMS IS LIKELY TO BE MORE PROFITABLE IN THE LONG RUN THAN
A CONFRONTATION APPROACH WHICH MIGHT PRODUCE GREATER SHORT-
TERM BENEFITS.

[REDACTED] (B1)

[REDACTED] (B1)

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Department of State

TELEGRAM

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PAGE 03 LAGOS 04230 260819Z

[REDACTED]

HIGHER OIL REVENUES AND MORE PARTICIPATION IN OIL OWNERSHIP
ARE FUNDAMENTAL TO NIGERIA AND IT WILL JUDGE STRATEGIES
AND TACTICS FOR ATTAINING THEM ALMOST STRICTLY ON THEIR OWN
MERITS.
CROSBY

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